

and seeking exemption from service tax. After careful consideration of facts the Government have exempted from the levy of the service tax, the services provided in relation to still photography by any photography studio or agency including individual professional photographers, which are not registered under the law relating to Shop and Establishment or any other law of a State. In view of this exemption, individual self-employed photographers have been excluded from the purview of service tax.

### **Payment of Income Tax**

1782. SHRI H.K. JAVARE GOWDA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that an honest person has to pay 40 per cent tax, while a tax evader is encouraged to pay just 30 per cent under the Voluntary Disclosure Scheme; and

(b) if so, what are the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN): (a) and (b) No, Sir. Voluntary Disclosure of Income Scheme (VDIS) was a special scheme which was in force from the 1st day of June upto 31st December, 1997. It provided an opportunity to persons who had failed to disclose their income in the past to declare their undisclosed income and pay tax on the same at the then prevailing rate of 30% which was the maximum rate of tax applicable to individuals as per the Finance Act, 1997.

### **CAG's reports on fraud activities**

1783. SHRI RUMANDLA RAMACHANDRAIAH: Will the Minister of FINANCE be pleased to state:

(a) whether the Prime Minister has expressed serious concern over growing leakage of public funds and pledged to fight corruption;

(b) if so, whether he was addressing the three day 21<sup>st</sup> Conference of the Comptroller and Auditor General of India;

(c) whether all the reports of the C and AG of India in which number of frauds were reported have been welcomed by the Prime Minister;

(d) whether any directive has been issued to the Comptroller and Auditor General of India in this regard; and